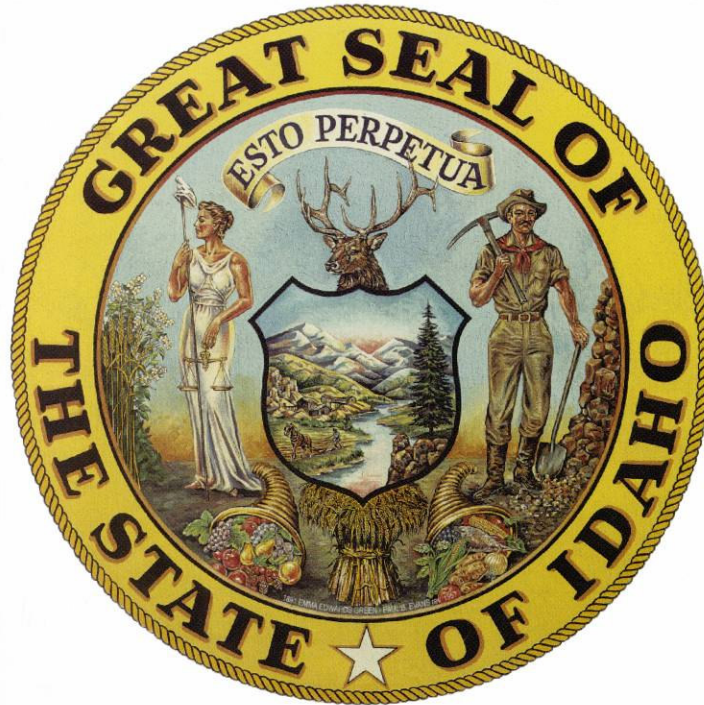


Comments on proposed Broadband Program Guidelines must be e-mailed by May 19.

The Rural Broadband Development Matching Fund will reimburse entities for half the cost – up to \$1 million – of extending Internet broadband service to residents or small businesses in areas of population less than 10,000. The proposed guidelines detail the eligibility requirements for applicants and projects and the criteria by which they will be evaluated, including the scoring system that will be used to determine awards. Public comments on the guidelines and proposed application form can be submitted by e-mail by May 19 to broadband@cl.idaho.gov



DIRK KEMPTHORNE, GOVERNOR
ROGER B. MADSEN, DIRECTOR



RURAL IDAHO BROADBAND INVESTMENT PROGRAM

Proposal Submission Guide

Fiscal Year 2007

DRAFT

A. Overview

Senate Bill Number 1498, enacted by the 2006 Idaho legislature, appropriated \$5 million in dedicated funds to the Department of Commerce and Labor (Department) for a new Rural Broadband Development Matching Fund (Fund). The Fund will be used to make monetary awards, on a cost reimbursement basis, to eligible applicants for rural broadband investment projects selected for funding. The maximum amount of funding available for any single project is limited to \$1,000,000.

This guide outlines the process for proposing projects. Although the information provided in a proposal does not need to be extensive, it must be sufficient, by itself, for the evaluators to understand the proposal. Proposals must be in the format and order specified by this guide. Proposals not following the required format and order will be deemed to be unresponsive and will not be considered for selection.

The purpose of the Fund is to provide broadband service to rural Idahoans who do not currently have access to a broadband service. For purposes of this program, neither non-terrestrial wireless satellite broadband services nor the availability of T-1 circuits shall constitute a broadband service that is eligible for funding. The Fund does not provide money for the operation or maintenance of broadband services.

This guide includes a copy of the project contract that must be executed between the Department and the applicant once a project has been selected for funding. Applicants who refuse to execute the project contract will not receive funding.

B. Schedule and Deadlines

Proposals must be mailed to the address listed below. Only mailed proposals with a postmark date on or before June 23, 2006, will be considered for funding. Mail proposals to:

Jay Engstrom
Idaho Department of Commerce and Labor
PO Box 83735
Boise, ID 83735-0620

C. Definitions. For the purposes of this program, these terms shall have the following meaning:

Broadband Service – the availability to the average residential or small-business subscriber of a transmission signal at a rate of at least two hundred thousand (200,000) bits per second (200 kbps) to a subscriber (downstream) and at least one hundred twenty-five thousand (125,000) bits per second (125 kbps) from a subscriber (upstream). Excluded from the definition of “broadband service” are non-terrestrial wireless satellite broadband transmissions and T-1 circuits.

Potential New Subscriber – a potential residential or small businesses subscriber that cannot access any existing broadband services.

Project – discrete activities proposed by an applicant directly related to the provision of rural broadband service to a potential new subscriber.

Proposal – one or more projects submitted to the Rural Idaho Broadband Investment Program. Multiple projects can be submitted together as one proposal. However, each individual project will be evaluated and scored based upon its own merits. Applicants submitting a proposal containing more than one project must indicate whether the approval of one project in the proposal is a prerequisite to the applicant's ability to complete any other project in the proposal.

Rural – any city or unincorporated area less than ten thousand (10,000) in population based upon the most recently published population statistics of the U.S. Bureau of the Census. Excluded from the definition of "rural" is any territory, incorporated or unincorporated, included in an urbanized area, as defined by the U.S. Bureau of the Census as of August 10, 1993.

D. Eligible Applicants

To be eligible for reimbursement from the Fund, **applicants must:**

- Be legally organized as an incorporated organization; an Indian tribe or tribal organization, as defined in 24 U.S.C 450b(b) and (c); a state or local unit of government; or other legal entity, including cooperatives or private corporations or limited liability companies organized on a for profit or not-for-profit basis.
- Have the legal capacity and authority to enter into contracts.
- Have the legal capacity and authority to own and operate the broadband facilities they propose.

Eligible applicants shall **not** include individuals or partnerships.

E. Eligible Projects

To be eligible for reimbursement from the Fund, **projects must:**

- Clearly identify and document the source, amount and availability of matching funds. If matching funds are to be provided by a third party, documentation of the third party's commitment must be provided no later than October 1, 2006. Applicants who fail to document the commitment of third party matching funds to the sole satisfaction of the Department will not be eligible for project funding.

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- Actually result in broadband services being offered to potential new subscribers in a rural area as outlined in the project.

Eligible projects **cannot**:

- Include as matching contributions those incurred by the applicant, or others on behalf of the applicant, for facilities or equipment installed, or other services rendered prior to project approval.
- Duplicate broadband services that already exist in the proposed project area.

F. Matching Contributions

Applicants must contribute a matching contribution of at least fifty percent (50%) of the total project cost. For example, if the total project cost is \$100,000, an applicant's matching contribution must be at least \$50,000. Proposals from applicants providing greater than a 50% matching contribution will receive greater weight in the evaluation process.

Applicants may use matching contributions from any source, but all matching contributions from third party sources must be guaranteed as available to the applicant no later than October 1, 2006.

G. Scoring Criteria

Projects will be evaluated and scored based upon the following criteria:

1. **Successful Completion of Similar Projects – Up to 400 points.** Applicants documenting, to the satisfaction of the Department, the successful completion of projects similar to, or more extensive than, the proposed project will be given points based upon the following table:

0 Projects	1 Project	2 Projects	3 Projects	4 or more Projects
0 points	100 points	200 points	300 points	400 points

2. **Potential New Subscribers – Up to 200 points.** Of all of the projects submitted by all eligible applicants, the single project which will serve the greatest number of potential new subscribers in a rural area will receive 200 points. Points for the remaining eligible projects will be awarded using the following formula:

Points = $(A / B) \times 200$, where A equals the number of potential new subscribers in the project being scored, and B is the highest number of potential new subscribers of all the eligible projects from all of the eligible applicants.

3. **Cost to the Fund per Potential New Subscriber - Up to 400 points.** Each project's total cost to the Fund will be divided by the number of potential new

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subscribers in a rural area. The quotient of this calculation represents the cost per potential new subscriber. Of all of the projects submitted by all eligible applicants, the project with the lowest quotient will receive 400 points. Points for the remaining eligible projects will be awarded using the following formula:

Points = $(C / D) \times 400$, where C equals the lowest cost per potential new subscriber of all the eligible proposed projects, and D is the cost per potential new subscriber of the project being scored.

4. **Affordability of Broadband Services - Up to 150 points.** Applicants committing to offer service at fixed rates for one (1) year following project completion will receive points as outlined in the table below. Applicants not willing to commit to fixed rates for one (1) year will receive no points for this category.

Upstream/Downstream Speed in kilobits per second	Monthly Price < \$10	Monthly Price > or = \$10 but < \$20	Monthly Price > or = \$20 but < \$30	Monthly Price > or = \$30 but < \$50
128/200	10 points	7 points	4 points	0 points
> or = 256/256 but < 512/512	20 points	14 points	8 points	2 points
> or = 512/512 but < 768/768	30 points	21 points	12 points	4 points
> or = 768/768 but < 1000/1000	40 points	28 points	16 points	8 points
> or = 1000/1000	50 points	35 points	20 points	16 points

5. **Free Access Points for Public Use – Up to 50 points.** The number of free broadband access points or accounts provided to public schools, public libraries, public medical clinics, public hospitals, community colleges, public universities, law enforcement agencies, and fire or ambulance stations for a minimum of 2 years will receive one (1) point for each such access point up to a maximum of 50 points.
6. **Level of Match - Up to 49 points.** Projects bearing proportionate project costs from non-Fund sources greater than 50% of the total project cost will receive one (1) point for each full percentage point above 50% up to a maximum of 49 points.
7. **Community Support – 100 points.** Projects that include a letter of support from the chief elected official of the project area (i.e. Mayor or Chair of the County Commission) will receive 100 points.
8. **Idaho Economic Advisory Council Points – Up to 400 points.** The Idaho Economic Advisory Council will review eligible projects submitted by eligible applicants and award up to 400 points to each project based on the Council's independent assessment of project merit.

Proposal Review and Selection Process

Proposals that have been submitted in a timely manner will go through the following process:

1. **Technical Review.** The Department will perform an initial technical review against the selection criteria and determine applicant and project eligibility according to the criteria listed in this guide. Proposals that do not meet both applicant and project eligibility standards in the sole discretion of the Department will not be eligible for funding.
2. **Preliminary Scoring.** Following the technical review, eligible projects from eligible applicants will be awarded points by the Department based upon the scoring criteria contained in this guide.
3. **Submission to Idaho Economic Advisory Council.** Scored projects will then be presented to the Idaho Economic Advisory Council. The Council will award its points and a final point total will be calculated for each project.
4. **Ranking and Award.** The Department will give a final priority ranking to each project with the highest number of total points first and lowest points last. The Department will send Notices of Award and begin the contracting process. Projects will be funded in the order of their priority ranking until all the funds have been obligated. All applicants that are awarded funding must execute a contract with the Department within thirty (30) days of the date of their Notice of Award. Applicants who fail to execute a contract within this time period will lose their eligibility for funding. A copy of the contract that must be executed by the applicant is included in this guide.
5. **Standby Projects.** Ranked projects meeting the eligibility and selection criteria, but not receiving an award due to a lower priority ranking may become standby projects. Standby projects may be eligible for funding should applicants with a higher priority ranking fail to timely execute a contract with the Department. The Department reserves the right, in its sole discretion, to either award or not award funding to standby projects.

H. Proposal Format

Proposals must be submitted using the following pages. Blank proposals in Microsoft Word™ document format are available at www.cl.idaho.gov.

More than one project may be submitted in a single proposal; however each project must be separate, with its own project budget and related project pages. For proposals containing multiple projects, projects without prerequisites must be numbered before those having prerequisites. Applicants may attach appendices as they feel them necessary to document or explain the proposal or its projects.

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Proposal	
Applicant	
Address	
City, State, ZIP	
Phone	
Number of projects in this proposal	
Certification As a prospective recipient of Rural Broadband Development Matching Funds, the undersigned certifies that: broadband service, as defined by the Proposal Submission Guide, does not currently exist, whether offered to the public or not, in each project's area of impact; the information provided in this proposal is correct and true; and that the undersigned has the authority to submit this proposal on behalf of the Applicant.	
Name (printed)	
Title	
Signature	
Date	

Executive Summary

Provide a brief summary of the proposal, including: its goals; the applicant's relevant background; the technology which will be used in the project(s); and other relevant summary material.

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Demonstration Project 1

Applicants documenting, to the satisfaction of the Department, the successful completion of projects similar to, or more extensive than, the proposed project will be given points as described in the Proposal Guide.

Fully describe and document the demonstration project and its similarities to this proposal. Mark N/A if not applicable.

(Attach supporting documentation as Appendix DP-1)

This Area For Evaluation Use Only

Yes

No

Demonstration Project 2

Fully describe and document the demonstration project and its similarities to this proposal.
Mark N/A if not applicable.

(Attach supporting documentation as Appendix DP-2)

This Area For Evaluation Use Only

Yes

No

Demonstration Project 3

Fully describe and document the demonstration project and its similarities to this proposal.
Mark N/A if not applicable.

(Attach supporting documentation as Appendix DP-3)

This Area For Evaluation Use Only

Yes

No

Demonstration Project 4 or more

Fully describe and document the demonstration project and its similarities to this proposal. Also use this area to describe 5th, 6th, or more demonstration projects. Mark N/A if not applicable.

(Attach supporting documentation as Appendix DP-4)

This Area For Evaluation Use Only

Yes

No

Rural Idaho Broadband Investment Program – Proposal, FY 2007

Project	Number 01	Attach any additional material as: Appendix – PN- followed by Project Number		
Project Name				
Project Cost				
Total	Amount from Fund	Amount from Applicant	Amount from Other Source 1	Amount from Other Source 2
Project Area of Impact - Populations				
Population	Number of Potential New Rural Subscribers	This Area for Evaluation Use Only		
		%NFF	AFF	CPPNS
Affordability – fixed rate service for one year following project completion				
Upstream/ Downstream Speed in kilobits per second	Monthly Price < \$10 Enter Yes or No	Monthly Price > or = \$10 but < \$20 Enter Yes or No	Monthly Price > or = \$20 but < \$30 Enter Yes or No	Monthly Price > or = \$30 but < \$50 Enter Yes or No
128/200				
> or = 256/256 but < 512/512				
> or = 512/512 but < 768/768				
> or = 768/768 but < 1000/1000				
> or = 1000/1000				
Free access points or accounts provided to communities				
Number of free access points or accounts provided for 2 years to any of the following: public schools, public libraries, public medical clinics, public hospitals, community colleges, public universities, law enforcement agencies, and fire or ambulance stations. Please attach a list in the Appendix.				

Rural Idaho Broadband Investment Program – Proposal, FY 2007

Project	Number 01	Attach any additional material as: Appendix – PN- followed by Project Number
Project Description		
Project Design		
Project Schedule		
Budget Narrative		

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Project	Number 01	Attach any additional material as: Appendix – PN- followed by Project Number
Funding Commitments from Other Sources		

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Rural Idaho Broadband Investment Program – Proposal, FY 2007

Project	Number ____	Attach any additional material as: Appendix – PN- followed by Project Number		
Project Name				
Prerequisite Project(s)				
Project Cost				
Total	Amount from Fund	Amount from Applicant	Amount from Other Source 1	Amount from Other Source 2
Project Area of Impact - Populations				
Population	Number of Potential New Subscribers	This Area for Evaluation Use Only		
		%NFF	AFF	CPPNS
Affordability – fixed rate service for one year following project completion				
Upstream/ Downstream Speed in kilobits per second	Monthly Price < \$10 Enter Yes or No	Monthly Price > or = \$10 but < \$20 Enter Yes or No	Monthly Price > or = \$20 but < \$30 Enter Yes or No	Monthly Price > or = \$30 but < \$50 Enter Yes or No
128/200				
> or = 256/256 but < 512/512				
> or = 512/512 but < 768/768				
> or = 768/768 but < 1000/1000				
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Free access points or accounts provided to communities				
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Project Schedule		
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Rural Idaho Broadband Investment Program – Proposal, FY 2007

Project	Number ____	Attach any additional material as: Appendix – PN- followed by Project Number
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